Sinclair Broadcast Group (SBGI) Reports Record 3rd Qtr Revenue And Broadcast Cash Flow; Announces Withdrawal of Proposed Stock Offering And Considers Stock Repurchases

Third Quarter Results

BALTIMORE, Nov. 1 /PRNewswire/ -- Sinclair Broadcast Group, Inc. (the "Company") (Nasdaq: SBGI) reported today its financial results for the three months and nine months ended September 30, 1996. Total revenues increased to $110.3 million for the three months ended September 30, 1996, from $50.2 million for the three months ended September 30, 1995, or 119.8%. When excluding the effects of non-cash barter transactions, net broadcast revenues for the three months ended September 30, 1996, increased by 124.5% over the three months ended September 30, 1995. Total revenues increased to $237.2 million for the nine months ended September 30, 1996, from $147.1 million for the nine months ended September 30, 1995, or 61.3%. When excluding the effects of non-cash barter transactions, net broadcast revenues for the nine months ended September 30, 1996, increased by 63.5% over the nine months ended September 30, 1995. These increases in broadcast revenues were primarily the result of acquisitions consummated by the Company in 1995 and during the first nine months of 1996 (collectively, the "Acquisitions"), as well as growth in television broadcast revenue.

Broadcast cash flow increased to $52.8 million for the three months ended September 30, 1996, from $26.5 million for the three months ended September 30, 1995, or 99.2%. Broadcast cash flow increased to $117.9 million for the nine months ended September 30, 1996, from $77.0 million for the nine months ended September 30, 1995, or 53.1%. The increase in broadcast cash flow for the three months and nine months ended September 30, l996, as compared to the three months and nine months ended September 30, l995, resulted primarily from the Acquisitions and internal growth.

Operating cash flow increased to $49.8 million for the three months ended September 30, 1996, from $24.7 million for the three months ended September 30, 1995, or 101.8%. Operating cash flow increased to $111.8 million for the nine months ended September 3O, l996, from $73.0 million for the nine months ended September 3O, l995, or 53.2%. The increases in operating cash flow for the three and nine months ended September 30, 1996, as compared to the three and nine months ended September 30, 1995, resulted primarily from the Acquisitions and internal growth.

After tax cash flow increased to $26.0 million for the three months ended September 30, 1996, from $15.7 million for the three months ended September 30, 1995, or 64.9%. After tax cash flow increased to $61.4 million for the nine months ended September 30, 1996, from $45.2 million for the nine months ended September 30, 1995, or 35.9%. The increases in after tax cash flow for the three months and nine months ended September 30, 1996, as compared to the three months and nine months ended September 30, 1995,

primarily resulted from the Acquisitions and internal growth, offset by interest expense on the debt incurred to consummate the Acquisitions.

David B. Amy, Chief Financial Officer of the Company, commented, "The third quarter was difficult due to national advertisers spending much of their budgets on NBC's coverage of the Olympics. In light of this development, I am pleased that on a pro forma basis, we were able to maintain the level of broadcast revenue from the same period last year. As we previously announced, the flat revenue performance combined with higher program payments inherited from the recent acquisitions resulted in a decrease in pro forma broadcast cash flow of 4.3%."

The Company noted that actual broadcast cash flow for the third quarter was higher than pro forma cash flow due to a two month timing lag for film payments relating to the River City acquisition.

Historical Financial Highlights
(Dollars in Thousands except for per share data)

	Three Months Ended September 30, 1995	1996	Inc. %
Total broadcast revenues	$50,177	$110,279	119.8
Net broadcast revenues	$45,442	$102,013	124.5
Broadcast cash flow	$26,523	$52,776	99.0
Operating cash flow	$24,687	$49,807	101.8
After tax cash flow	$15,744	$25,958	
After tax cash flow per share	$0.45	$0.75	
Program contract payments	$4,801	$7,230	
Corporate expense	$1,836	$2,969	
Net loss	$(4,858)	$(3,328)	
Net loss per share	$(0.14)	$(0.10)	

	Nine Months Ended September 30, 1995	1996	Inc. %
Total broadcast revenues	$147,051	$237,189	61.3
Net broadcast revenues	$134,166	$219,352	63.5
Broadcast cash flow	$76,994	$117,855	53.1
Operating cash flow	$72,972	$111,820	53.2
After tax cash flow	$45,194	$61,397	
After tax cash flow per share	$1.44	$1.77	
Program contract payments	$14,659	$19,301	
Corporate expense	$4,022	$6,035	
Net loss	$(4,351)	$(1,817)	
Net loss per share	$(0.14)	$(0.05)	

Public Stock Offering Withdrawal and
Consideration of Stock Repurchases

The Company today announced that due to market conditions, the Company and certain selling shareholders are withdrawing the offering of 6,250,000 shares of Class A Common Stock. The Company intends to reconsider an offering in the future when market conditions are more favorable. David Smith, Sinclair's President and CEO, said, "Market conditions are such that we believe at the stock's current level the market is not accurately reflecting the Company's true value."

The Company's plans to withdraw the offering of 6,250,000 shares of Class A Common Stock will not affect a separate shelf registration statement it has filed with respect to the sale of shares of Class A Common Stock by certain holders who may acquire such shares upon conversion of outstanding shares of Series B Convertible Preferred Stock or upon exercise of certain stock options, all of which were issued in connection with the River City acquisition. With the withdrawal of the common stock offering, the Company is considering purchasing outstanding shares of its Class A Common Stock pursuant to previous authorization by the Board of Directors. Any such repurchases will be made from time to time in the open market and will be dependent on market conditions.

Sinclair Broadcast Group, Inc. is one of the nation's largest broadcast groups, owning and/or providing programming services to 28 television stations in 20 separate markets, and owning, providing sales and programming services to, or having options to acquire, 33 radio stations in 8 separate markets. The television group reaches 14.82% of U.S. television households and includes ABC, CBS, Fox, and UPN affiliates. The radio group is one of top twenty groups in the United States.

Notes:

"Broadcast cash flow" is defined as broadcast operating income plus corporate expenses, deferred compensation, depreciation and amortization, including both tangible and intangible assets and program rights, less cash payments for program rights. Cash program payments represent cash payments made for current program payable and do not necessarily correspond to program usage. The Company has presented broadcast cash flow data, which the Company believes is comparable to the data provided by other companies in the industry, because such data are commonly used as a measure of performance for broadcast companies. However, broadcast cash flow does not purport to represent cash provided by operating activities as reflected in the Company's consolidated statements of cash flows, and is not a measure of financial performance under generally accepted accounting principles and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with generally accepted accounting principles.

"Operating cash flow" is defined as broadcast cash flow less corporate expenses and is a commonly used measure of performance for broadcast companies. Operating cash flow does not purport to represent cash provided by operating activities as reflected in the Company's consolidated statements of cash flows, is not a measure of financial performance under generally accepted accounting principles and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with generally accepted accounting principles.

"After tax cash flow" is defined as net income (loss) before extraordinary items plus depreciation and amortization (including film amortization), less program contract payments, plus non-cash deferred compensation expense, and plus special bonuses paid to executive officers. After tax cash flow is presented here not as a measure of operating results and does not purport to represent cash provided by operating activities. After tax cash flow should not be considered in isolation or as a substitute for measures of performance prepared in accordance with generally accepted accounting principles.

"After tax cash flow per share" is defined as after tax cash flow divided by weighted average shares outstanding.

The matters discussed in this report are forward-looking statements. Such statements are subject to a number of risks and uncertainties, such as the impact of changes in national and regional economies, successful integration of acquired television and radio stations (including achievement of synergics and cost reductions), pricing fluctuations in local and national advertising and volatility in programming costs. Additional risk factors regarding the Company are set forth in the registration statement on Form S-3 filed with the Securities and Exchange Commission on September 18, 1996 (as amended).

SINCLAIR BROADCAST GROUP, INC.
Results of Operations
(Amounts in Thousands Except for Per Share Data)

The following table sets forth certain operating data for comparison of the three months and the nine months ended September 30, 1995, to the three months and the nine months ended September 30, 1996,

	Three Months Ended		Nine Months Ended	
	Sept. 30, 1995	Sept. 30, 1996	Sept. 30, 1995	Sept. 30, 1996
STATEMENT OF OPERATIONS DATA:				
Net broadcast revenues	$45,442	$102,013	$134,166	$219,352
Barter revenues	4,735	8,266	12,885	17,837
Total revenues	50,177	110,279	147,051	237,189
Operating expenses excluding depreciation, amortization and deferred compensation	20,689	53,242	59,420	106,068
Deferred compensation	--	117	--	623
Depreciation and amortization	20,277	36,399	59,078	81,892
Broadcast operating income	9,211	20,521	28,553	48,606
Interest expense	(8,652)	(29,001)	(28,307)	(56,647)
Interest and other income	692	652	1,974	3,824
Net income (loss) before provision for income taxes	1,251	(7,828)	2,220	(4,217)
Income tax (provision) benefit	(983)	4,500	(1,445)	2,400
Net income (loss) before extraordinary item	268	(3,328)	775	(1,817)
Extraordinary item-loss on early extinguishment of debt, net of tax benefit of $3,142	(5,126)	--	(5,126)	--
Net loss	$(4,858)	$(3,328)	$(4,351)	$(1,817)
Net income (loss) per common share, before extraordinary item	$0.01	$(0.10)	$0.02	$(0.05)
Net loss per common share, after extraordinary item	$(0.14)	$(0.10)	$(0.14)	$(0.05)
Weighted average shares outstanding	34,750	34,750	31,325	34,750

SOURCE Sinclair Broadcast Group

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